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EXTRAORDINARY

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह भलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF FINANCE

(Department of Revenue and Insurance)

NOTIFICATION

CENTRAL EXCISES

New Delhi, the 14th July 1969

G.S.R. 1723.—In exercise of the powers conferred by section 37 of the Central Excise and Salt Act, 1944 (1 of 1944), the Central Government hereby makes the following rules further to amend the Central Excise Rules, 1944, namely:—

1. (1) These rules may be called the Central Excise (Tenth Amendment) Rules, 1969.
- (2) They shall come into force on the 1st August, 1969.
2. In the Central Excise Rules, 1944 (hereinafter referred to as the principal rules), in rule 2, after clause (ia), the following clause shall be inserted, namely:—

“(ib) ‘assessee’ means any person who is liable for payment of duty assessed and also includes any producer or manufacturer of excisable goods or a licensee of a private warehouse in which excisable goods are stored.”

3. In rule 52-A of the principal rules,

(i) for sub-rule (2) the following sub-rule shall be substituted, namely:—

“(2) The gate pass shall be made out in triplicate with indelible pencil, using double-sided carbon and shall contain no mutilations, overwritings, corrections or erasures. The gate pass shall be presented to the proper Officer for counter-signature at least one hour before the actual removal of the goods from the factory. After counter-signature, the proper Officer shall return the original and triplicate copies of the gate pass to the manufacturer retaining the duplicate for his record. The original copy shall accompany the consignment to its destination and triplicate retained by the manufacturer. The manufacturer may, with the approval of the proper Officer, make extra copies of a gate pass for his own use, clearly marked ‘EXTRA COPY—NOT FOR COVERING TRANSPORT’. The original copy shall be produced by the carrier on demand by any Central Excise Officer while the goods are enroute to such destination from the factory:

Provided that in respect of removal of excisable goods consumed within the factory for manufacture of other goods in a continuous process the manufacturer may make out a single gate pass at the end of the day.”

(ii) for sub-rules (4) and (5), the following sub-rules shall be substituted, namely:—

“(4) Gate passes shall be maintained in two sets: one for clearance for home consumption and the other for clearance for export. Each gate pass shall bear a printed serial number running for the whole year beginning on the first January or such other date as approved by the proper Officer as may correspond to the accounting year of the factory. Only one gate pass book of each type shall be used by a factory for an excisable commodity at any one time, unless otherwise specially permitted by the Collector in writing in respect of factories having more than one section from which clearances take place.

(5) If any person:—

- (a) carries or transports excisable goods from a factory without a valid gate pass, or
- (b) while carrying or removing such goods from a factory, does not on request by an officer, forthwith produce a valid gate pass, or,
- (c) enters any particulars in the gate pass which are, or which he has reason to believe to be false,

he shall be liable to a penalty not exceeding one thousand rupees, and the excisable goods in respect of which the offence is committed shall be liable to confiscation.”

4. For Chapter VIIA of the principal rules, the following Chapter shall be substituted, namely:—

“CHAPTER VIIA

Removal of excisable goods on determination of duty by producers, manufacturers or private warehouse licensees.

173A. *Application.*—(1) Except as hereinafter provided, the provisions of this Chapter shall apply to such excisable goods as the Central Government may, by notification in the Official Gazette, specify in this behalf; and where there is a conflict between the provisions of this Chapter and the provisions contained in any other Chapter, in relation to such excisable goods, the provisions of this Chapter shall prevail.

(2) Nothing in this Chapter shall apply to a manufacturer or producer who has been allowed to discharge his duty liability in accordance with the provisions contained in section C-I, E-III, E-VII, E-VIII or E-IX of Chapter V.

173B. *Assessee to file list of goods for approval of the proper officer.*—(1) Before removing any excisable goods, every assessee shall file with the proper Officer for approval a list in such form as the Collector may direct, in quadruplicate, showing—

- (a) the full description of (i) all excisable goods produced or manufactured by him, (ii) all other goods produced or manufactured by him and intended to be removed from his factory, and (iii) all the excisable goods already deposited or likely to be deposited from time to time without payment of duty in his warehouse;
- (b) the Item number and sub-Item, if any, of the First Schedule to the Act under which each such goods fall;

- (c) the rate of duty leviable on each such goods; and
- (d) such other particulars as the Collector may direct.

(2) The proper Officer shall, after such inquiry as he deems fit, approve the list with such modifications as are considered necessary and return one copy of the approved list to the assessee who shall, unless otherwise directed by the proper Officer, determine the duty payable on the goods intended to be removed in accordance with such list.

(3) Where the assessee disputes the rate of duty approved by the proper Officer in respect of any goods, he may, after giving an intimation to that effect to such officer, either pay duty under protest at the rate approved by such officer or, after obtaining approval of the proper Officer to that effect, avail of the procedure prescribed under rule 9B for provisional assessment of the goods.

(4) If in the list approved by the proper Officer under sub-rule (2) any alteration becomes necessary because of—

- (a) the assessee commencing production, manufacture or warehousing of goods not mentioned in that list, or
- (b) the assessee intending to remove from his factory any non-excisable goods not mentioned in that list, or
- (c) a change in the rate or rates of duty in respect of the goods mentioned in that list or, by reason of any amendment to the First Schedule to the Act, a change in the Item number and sub-item,

the assessee shall likewise file a fresh list or an amendment of the list already filed for the approval of such officer in the same manner as is provided in sub-rule (1).

(5) When the dispute about the rate of duty has been finalised or for any other reasons affecting rate or rates of duty a modification of the rate or rates of duty is necessitated, the proper Officer shall make such modification and inform the assessee accordingly.

(6) The Collector may exempt by a general order any class of assesses, who manufacture wholly goods which, for the time being, are exempt from paying duty, from filing the list under sub-rule (1):

Provided that as and when duty exemption is withdrawn or modified or no longer applicable, the assessee shall comply with the provisions of sub-rule (4) as if he had filed a list earlier and the list had been approved with 'nil' rate of duty.

173C. *Assessee to file price list of goods assessable ad valorem.*—(1) Every assessee, who produces, manufactures or warehouses goods which are chargeable with duty at a rate dependent on the value of the goods, shall file with the proper Officer for his approval a price list, in such form and in such manner and at such intervals as the Collector may require, showing the price of each of such goods and the trade discount, if any, allowed in respect thereof to the buyers.

(2) The proper Officer shall approve the price list after making such modifications as he may consider necessary so as to bring the value shown in the said list to the correct value, for the purpose of assessment as provided in section 4 of the Act. He shall thereafter return one copy of the list approved as aforesaid to the assessee who shall, unless otherwise directed by the proper Officer, determine the duty payable on the goods intended to be removed in accordance with such list.

(3) If in the list approved by the proper Officer under sub-rule (2) any alteration becomes necessary for any reason, the assessee shall likewise file a fresh list or an amendment of the list already filed for the approval of such officer.

(4) Notwithstanding the provisions of sub-rules (1) to (3), the Collector may, having regard to the nature of goods manufactured and the frequency of market price fluctuations of such goods, allow an assessee or a class of assesses to declare the price transacted by the said assessee or assesses for the particular wholesale consignment on the gate pass or accompanying challan or advice note and to determine the duty payable on such goods intended to be removed on the basis of the said declared price:

Provided that where the price thus declared on the gate pass or accompanying challan or advice note does not represent the value as determined under section 4 of the Act, the proper Officer may, after such further inquiry, as he may consider necessary, reassess the duty due and thereupon the assessee shall pay the deficiency, if any, by a debit in his account current or in case of excess payment take credit of the amount paid in excess in the manner prescribed in sub-rule (2) of rule 1731.

173D. *Assessee to furnish information regarding principal raw material.*—(1) Where the assessee is a manufacturer, he shall, if so required by the Collector, furnish to the Assistant Collector of Central Excise in respect of each of the excisable goods manufactured or to be manufactured by him, information regarding the principal raw material and the quantity of such material required for manufacture of unit quantity of such excisable goods.

(2) If the assessee intends to make any alteration in the information furnished under sub-rule (1), he shall likewise furnish fresh information to the Assistant Collector.

173E. *Determination of normal production.*—(1) Any officer duly empowered by the Collector in this behalf may fix the quantum and period of time when the production in the assessee's factory was considered normal by such officer, having regard to the installed capacity of the factory, raw material utilisation, labour employed, power consumed and such other relevant factors as he may deem appropriate. The normal quantum of production during a given time so determined by such officer shall form the norm. The assessee shall, if so required by the said Officer, be called upon to explain any shortfall in production during any time as compared to the norm. If the shortfall is not accounted for to the satisfaction of the said officer, he may assess the duty due thereon to the best of his judgment, after giving the assessee a reasonable opportunity of being heard.

(2) The officer empowered as aforesaid may revise the norm as determined by him at any time, if after such further inquiry as he may consider necessary, he has reason to believe that any factor affecting the production of the factory, has undergone a material change.

173F. *Assessee to determine the duty due on the goods and to remove them on payment thereof.*—Where the assessee has complied with the provisions of rules 173B, 173D and, where applicable, 173C, he shall himself determine his liability for the duty due on the excisable goods intended to be removed and shall not, except as otherwise expressly provided in these rules, remove such goods unless he has paid the duty so determined.

173G. *Procedure to be followed by the assessee.*—(1) Every assessee shall keep an account-current with the Collector separately for each excisable goods falling under different Items of the First Schedule to the Act, in such form and manner as the Collector may require, of the duties payable on the excisable goods and in particular such account (and also the account in Form R.G. 23, if the assessee is availing of the procedure prescribed in rule 173K) shall be maintained in triplicate by using indelible pencil and double-sided carbon, and the assessee shall periodically make credit in such account-current, by cash payment into the treasury or, where so permitted by the Collector subject to such terms and conditions as he may specify, by sending (by registered post or by a messenger) a cheque or letter of authority for the requisite amount to the Chief Accounts Officer of the Collector, so as to keep the balance in such account-current sufficient to cover the duty due on the goods intended to be removed at any time; and every such assessee shall pay the duty determined by him for each consignment by debit to such account-current before removal of the goods:

Provided that—

- (i) the duty due on the goods consumed within the factory in a continuous process may be so paid at the end of the factory day;
- (ii) the proper Officer may allow an assessee, who removed more than 3,000 consignments in the previous calendar year, to make a consolidated debit in the account-current at the end of the day towards payment of the duty;
- (iii) in respect of clearances of any excisable goods as samples in such small quantities as the Collector may approve in respect of any commodity and clearly marked as such on the gate pass, the assessee may pay the duty on all such samples cleared during a month by a single debit to his account-current on the last working day of the month;
- (iv) the Collector may require, by an order in writing that an assessee or class of assessee manufacturing or warehousing goods falling under Items Nos. 6 to 11A of the First Schedule to the Act shall determine the duty on the quantity cleared from storage tanks and may prescribe the manner in which such duty shall be determined and debited in the account-current.

(2) Notwithstanding the provisions of sub-rule (1) of rule 224 but subject to the other provisions of that rule, every assessee shall, except as otherwise expressly provided in these rules, forthwith remove the goods on which duty has been determined and paid; every such removal shall take place under a gate-pass or gate-passes or like document or documents in accordance with the provisions of rule 52A but without the proper Officer's counter-signature, and such gate-pass or gate-passes or like document or documents shall also show the rate and the amount of duty paid on such goods and the time of actual removal of the goods from the factory:

Provided that—

- (i) a single gate-pass or like document may be issued at the end of the factory day to cover removal of goods consumed within the factory in a continuous process;
- (ii) the Collector may, having regard to the nature of the goods manufactured or frequency of removals permit an assessee or a class of assessee not to enter the rate and/or the amount of duty on the gate passes or like documents under which such goods are removed from the factory;
- (iii) where the assessee intends to remove unmanufactured tobacco for agricultural use under Item No. 4.I(7) of the First Schedule to the Act, he shall inform the proper Officer in writing the quantity of such tobacco and the proposed date of its removal, at least seven days in advance and thereupon the assessee may remove such tobacco subject to such conditions as the Collector may, by a general or special order, prescribe with regard to the manner in which the tobacco so removed shall be rendered unfit for any use other than the agricultural use.

(3) Within seven days after the close of each month every assessee shall, in lieu of the returns prescribed under rule 54, file with the proper Officer in quadruplicate a monthly return in the proper Form showing the quantity of excisable goods manufactured or received under bond during the month, the quantity (if any) used within the factory for the manufacture of another commodity, the quantity removed on payment of duty from the place or premises specified under rule 9 or from the store room or other place of storage approved by the Collector under rule 47, duty paid on such quantity, particulars of gate passes or like documents under which such quantity was removed, the quantity removed without payment of duty for export or otherwise and such other particulars as may be elsewhere prescribed or as the Collector may, by general or special order, require, and, where so required by the Collector, by written notice, shall submit a similar return in the proper Form showing all the other products manufactured in and issued from the factory during the same month. Every such return in respect of excisable goods shall be accompanied by;

- (a) duplicate copy of each of the gate passes or like documents issued;
- (b) receipted treasury challans on which deposits in the account-current were made by payment into the Government treasury; and
- (c) original and duplicate copies of the account-current and also of the account in Form R.G. 23, as the case may be, maintained by the assessee during the period covered by the return;

and if there was no stock, production and removal excisable goods during the said period, the assessee shall file with the proper Officer a nil return, unless otherwise directed by the Collector:

Provided that the Collector may, having regard to the nature, variety and extent of production or manufacture or frequency of removals—

- (i) fix in relation to any assessee or class of assessee a period shorter than one month for filing the aforesaid return,
- (ii) permit that the aforesaid return may be filed by the assessee within a period not exceeding 21 days after the close of each month.

(4) Every assessee shall maintain such accounts, as the Collector may from time to time require, of the production, manufacture, storage, delivery or disposal of the goods, including the materials received for or consumed in the manufacture of excisable or other goods, the goods and materials in stock with him and the duty determined and paid by him.

(5) Every assessee shall furnish to the proper Officer a list in duplicate of all accounts maintained and returns prepared by him (whether the same are maintained or prepared in pursuance of these rules or not) in regard to the production, manufacture, storage, delivery or disposal of the goods, including the raw-materials.

(6) Every assessee shall on demand produce to the Central Excise Officers, or the audit parties deputed by the Collector or the Comptroller and Auditor General of India, the accounts and returns (whether the same are maintained or prepared in pursuance of these rules or not) for the scrutiny of the officers or audit parties, as the case may be.

(7) Notwithstanding the provisions of sub-rules (1) and (3), an assessee manufacturing excisable goods specified in this behalf by the Central Government by notification in the Official Gazette, whose duty liability in the preceding financial year did not exceed five hundred rupees or who being a new assessee does not expect to be liable to pay more than five hundred rupees as duty in the relevant financial year, may, after informing the

proper Officer in writing, pay duty in respect of each separate consignment at the time of removal instead of keeping an account-current with the Collector, and may also file the return prescribed in sub-rule (3) for a quarter within seven days after the close of every quarter instead of filing the monthly return.

173H. *Retention or re-entry of duty-paid goods in the factory or warehouse.*—(1) The assessee may, subject to such conditions as may be specified by the Collector, retain in, or bring into, his factory or warehouse the goods on which duty has been paid if such goods—

- (a) are required for use in the manufacture of other goods in the factory; or
- (b) need to be re-made, refined, reconditioned, repaired or subjected to any similar process in the factory; or
- (c) cannot be transported due to circumstances beyond the assessee's control such as the suspension of booking on railways, non-availability of railway wagon or the break-down of carriers; or
- (d) are required for test or for studying designs or method of construction; or
- (e) are required to be stored in the factory premises for retail sale or for issue as complimentary gifts or for repacking into packages so as to suit the requirements of individual customers.

(2) The goods retained in, or brought into, a factory or warehouse in accordance with the provisions of sub-rule (1) may be removed from the factory or warehouse without payment of duty subject to such conditions as may be specified by the Collector.

173I. *Assessment by proper officer.*—(1) The proper Officer shall on the basis of the information contained in the return filed by the assessee under sub-rule (3) of rule 173G and after such further inquiry as he may consider necessary, assess the duty due on the goods removed and complete the assessment memorandum on the return. A copy of the return so completed shall be sent to the assessee.

(2) The duty determined and paid by the assessee under rule 173F shall be adjusted against the duty assessed by the proper Officer under sub-rule (1) and where the duty so assessed is more than the duty determined and paid by the assessee shall pay the deficiency by making a debit in the account-current within ten days of receipt of copy of the return from the proper Officer and where such duty is less, the assessee shall take credit in the account-current for the excess on receipt of the assessment order in the copy of the return duly countersigned by a Superintendent of Central Excise.

173J. *Time limit for recovery of short levy or refund of excess levy.*—The provisions of rules 10 and 11 shall apply to the assessee as is for the expression 'three months', the expression 'one year' were substituted in those rules.

173K. *Social procedure or movement of duty paid materials or component parts for use in the manufacture of finished excisable goods.*—In relation to the excisable goods covered by this Chapter, the provisions of rule 56-A shall apply subject to the modifications specified below :—

In sub-rule (3) of rule 56-A,—

(a) in clause (i)—

(i) sub-clause (a) shall be omitted.

(ii) for sub-clause (c), the following sub-clause shall be substituted, namely :

"(c) inform the proper Officer in writing in the proper form regarding receipt of each consignment of excise duty-paid or the counter-vailing duty-paid material or component parts or finished product within twenty-four hours of its receipt to enable the proper Officer if he deems it necessary, to identify the material or component parts or finished product as the case may be, and verify the actual quantity thereof."

(b) in clause (iv) for sub-clause (c), the following sub-clause shall be substituted, namely.

"(c) if found unfit for further use or not worth the duty payable thereon, be destroyed by the manufacturer, the duty payable thereon being remitted subject to the condition that the manufacturer shall inform the proper Officer in writing the quantity of such waste and the date on which he proposes to destroy it, at least seven days in advance and shall observe all the conditions as may be prescribed by the Collector by a general or special order with regard to the manner of disposal of such waste."

173L. *Refund of duty on goods return to factory.*—(1) The Collector may grant refund of the duty paid on manufactured excisable goods issued for home consumption from a factory, which are returned to the same or any other factory for being remade, refined, reconditioned or subjected to any other similar process in the factory;

Provided that—

- (i) such goods are returned to the factory within one year of the date of payment of duty or within such further period or periods not exceeding one year, in the aggregate as the Collector may on sufficient cause being shown, permit in any particular case;
 - (ii) the assessee gives information of the re-entry of each consignment of such excisable goods into the factory to the proper Officer in writing in the proper form within twenty-four hours of such re-entry;
 - (iii) the assessee stores the said goods separately pending their being re-made, refined, reconditioned or subjected to any other similar process in the factory unless otherwise permitted by the Collector by an order in writing and makes such goods available for inspection by the proper Officer when so required.
- (2) The assessee shall maintain a detailed account of the return goods and the processes to which they are subjected after their return to the factory in the proper form.
- (3) No refund under sub-rule (1) shall be paid until the processes mentioned therein have been completed and an account under sub-rule (2) having been rendered to the satisfaction of the Collector within six months of the return of the goods to the factory. No refund shall be admissible in respect of the duty-paid;
- (i) in respect of opened packages containing goods with concessional rates of duty or partial exemption for the small or cottage sector, as set forth in First Schedule to the Act, or by a notification issued under rule 8;
 - (ii) if the amount of refund payable on the goods is less than rupees fifty;
 - (iii) on goods which are disposed of in any manner other than for production of goods of the same class;
 - (iv) on the unmanufactured tobacco from which cigars, cheroots and cigarettes so returned to the factory have been produced.
- (4) The Central Government may, for reasons to be recorded in writing, relax the provisions of this rule for the purpose of admitting a claim for refund.

173-M. *Goods cleared for export may be allowed to be returned to the factory.*—

(1) The Collector may allow manufactured excisable goods cleared for export under claim for rebate or in bond but, not exported for any reasons to be returned to the same factory or any other factory for being remade, refined, reconditioned, or subjected to other similar processes in the factory.

Provided that—

- (i) such goods are returned to the factory within one year of the date of payment of duty or within such further period or periods, not exceeding six months in the aggregate, as the Collector may, on sufficient cause being shown, permit in any particular case;
 - (ii) the assessee gives information of the re-entry of each consignment of such excisable goods into the factory to the proper Officer in writing in the proper form within twenty-four hours of such re-entry;
 - (iii) such goods are stored separately pending being remade, refined, reconditioned or subjected to other similar processes in the factory unless otherwise permitted by the Collector by an order in writing and are made available for inspection by the proper officer, if so required by him;
 - (iv) a detailed account of the returned goods and the processes to which they are subjected after their return to the factory, is kept in the proper form.
- (2) No refund shall be paid until the processes mentioned in sub-rule (1) have been completed and an account under clause (iv) of that sub-rule has been rendered to the satisfaction of the Collector within six months of the return of the goods to the factory. No refund shall be admissible in respect of duty paid:

- (i) if the amount of duty originally paid or covered by the bond is less than rupees fifty;

- (ii) if the value of goods at the time of their return to the factory is less than the amount of duty paid originally upon them or covered by the bond entered into by the owner under rule 13 at the time of their clearance from the factory;
- (iii) on goods which are disposed of in any manner other than for production of goods of the same class;
- (iv) on the unmanufactured tobacco from which cigars, cheroots and cigarettes, so returned to the factory, have been produced.

(3) The Central Government may, for reasons to be recorded in writing, relax the provisions of this rule for the purpose of admitting a claim for refund.

173-N. *Procedure in respect of warehoused goods.*—In relation to the excisable goods covered by this Chapter the provisions of Chapter VII of these rules shall apply subject to the following modifications, namely:—

- (1) For rule 141, the following rule shall be constituted, namely:—

“141. *Receipt of goods in warehouse.*—All goods brought for warehousing shall be weighed, measured or gauged and assessed to duty by the licensee himself prior to entry into the warehouse and the quantity and description of goods, the marks and numbers of the packages, the number and date of the permit, gate pass or certificate and the amount of duty leviable thereon, shall be noted in the warehouse register by the licensee. All goods received into a warehouse shall be kept separate from other goods until such goods have been taken into account by the licensee as aforesaid. The licensee shall inform the proper Officer in writing in the proper form regarding receipt of each consignment in the warehouse within twenty-four hours of its receipt.”

- (2) For rules 143 and 144, the following rules shall be substituted, namely:—

“143. *Owner's power to deal with warehoused goods.*—In accordance with such instructions as the Collector may, from time to time, issue in writing in this behalf and after informing the proper Officer in writing at least twenty-four hours in advance any owner of goods lodged in a warehouse may sort, separate, pack and repack the goods and make such alterations therein as may be necessary for the preservation, sale or disposal thereof. After the goods have been so separated and repacked, any refuse or damaged goods remaining after such sorting, packing and repacking shall be stored separately. The owner shall inform the proper Officer in writing the quantity of such refuse or damaged goods and the date on which he proposes to destroy them at least seven days in advance and may destroy or otherwise dispose of such refuse or damaged goods in the manner and in accordance with the conditions as may be prescribed by the Collector by a general or special order. Thereupon the proper Officer may remit the duty on such refuse or damaged goods.

144. *Goods not to be taken out of warehouse except as provided by these rules.*—No goods shall be removed from any warehouse except on payment of duty or, where so permitted by the Central Government by notification in this behalf, for removal to another warehouse or for export from India and accompanied by a gate pass under rule 52-A and/or on written application prescribed in rule 158 or in rule 173-O as the case may be.”

(3) In rule 148, for the words “quantity or weight reported by the Officer who has assessed the goods”, the words “quantity or weight as recorded by the licensee at the time of warehousing or rewarehousing” shall be substituted.

- (4) For rule 149, the following rule shall be substituted, namely:—

“149. *Destruction of unusable material, waste and other refuse.*—Every owner of the goods stored in a warehouse who wishes to claim immunity from duty in respect of any goods unfit for consumption or manufacture shall inform the proper Officer in writing the quantity of such goods and the date on which he proposes to destroy them at least seven days in advance, and may destroy or otherwise dispose of such goods in the manner and in accordance with the conditions as may be prescribed by the Collector by a general or special order in writing, or shall show, if so required, to the satisfaction of the proper Officer that such goods are being applied to some purpose which renders them eligible for remission of duty.”

(5) For rule 153, the following rule shall be substituted, namely :—

"153. *Bond for due arrival and rewarehousing.*—(1) When goods are to be removed from one licensed premises to another, the consignor of the goods shall, before the goods are removed, enter into a bond in the proper form with such surety or sufficient security, and under such conditions, as the Collector approves, in a sum equal at least to the duty chargeable on such goods, for the due arrival and rewarehousing thereof at the warehouse of destination, within such time as the proper Officer, directs.

(2) Such bond shall be furnished to the Officer in-charge of the licensed premises of the consignor.

(3) Such bond shall not be discharged until such goods are duly rewarehoused or are otherwise accounted for to the satisfaction of the officer in-charge of the licensed premises of the consignor nor until the full duty due upon any deficiency in such goods not so accounted for has been paid.

(4) For purposes of such a discharge an essential condition shall be prior receipt by the Officer in-charge of the licensed premises of the consignor of the duplicate application from the Officer in-charge of the warehouse of destination with his rewarehousing certificate recorded thereon as hereinafter provided."

(6) For rules 156A, 156B and 157, the following rules shall be substituted, namely :—

"156A. *Procedure in respect of excisable goods removed from one factory or a warehouse to another.*—(1) The consignor shall prepare an application for removal of goods from a factory or a warehouse to another warehouse in quadruplicate in the proper form, mentioning clearly that the goods are moving under the bond of the consignor and such other information as the Collector may by general or special order, require.

(2) The consignor shall also prepare a gate pass in the proper form in respect of the goods proposed to be removed from his factory or warehouse.

(3) The consignor shall send the original, duplicate and triplicate application and original gate pass along with the consignment to the warehouse of destination.

(4) The consignor shall send quadruplicate application along with a copy of the gate pass to the Officer in-charge of his factory or warehouse within twenty-four hours of the removal of the consignment.

(5) On arrival of the goods at the warehouse of destination the consignee shall, within twenty-four hours of the arrival of goods, verify the same with all the three copies of the application. The consignee shall send the original application to the Officer-in-charge of his warehouse, duplicate to the consignor and retain the triplicate for his record.

(6) The Officer-in-charge of the warehouse of destination shall countersign the application received by him and send it to the Officer-in-charge of the factory or warehouse of removal.

(7) The consignor shall retain the duplicate application duly endorsed by the consignee for his record.

156-B. *Failure to receive rewarehousing certificate.*—(1) In case the certificate of rewarehousing is not received back by the consignor within ninety days of the removal of the goods or such extended period as the Collector may allow to an assessee or class of assessee, the consignor shall pay the duty leviable on the consignment by a debit in his account current:

Provided that where such duty has been paid and proof of rewarehousing is produced by the consignor to the satisfaction of the proper Officer, such consignor shall, on making an application to the proper Officer, be entitled to a refund of the duty so paid.

(2) If the original application endorsed with the rewarehousing certificate is not received by the Officer-in-charge of the factory or warehouse of removal or if received, it shows a shortage not explained to the satisfaction of the proper Officer, the consignor shall, on demand by the proper Officer, pay the duty leviable on such goods within ten days of the notice of demand and if the duty is not so paid, he shall not be permitted to make fresh removals of any warehoused goods from his factory or warehouse to another warehouse until the duty is paid or until the certificate of rewarehousing is presented to the Officer-in-charge of the factory or warehouse of removal to his satisfaction.

157. *Clearance of goods for home consumption.*—Any owner of goods warehoused may, at any time within the period during which such goods can be left or are permitted to remain in a warehouse under rule 143, clear the goods for home consumption by paying—

- (a) the duty thereon assessed prior to entry or reassessed under rule 159, and
- (b) all rent, penalties, interest and other charges payable in respect of such goods.

The goods shall then be assessed and cleared in the manner described in rule 173F read with rule 173G."

- (7) For rule 162, the following rule shall be substituted, namely :—

"162. *Noting removal of goods.*—(1) When any goods are taken out of any warehouse, the owner of such goods shall note the fact in the warehouse register.

- (2) Every note so made shall specify the quantity and description of the goods, the marks and numbers of the packages, the name of the person removing them, the number and date of application for clearance and/or of gate pass and the amount of duty paid, if any."

- (8) After rule 162, the following rule shall be inserted, namely :—

"162-A. *Power to relax conditions.*—The Central Board of Excise and Customs may, by order in writing, relax any of the provisions of this Chapter in respect of excisable goods falling under Items Nos. 6 to 11A of the First Schedule to the Act."

173-0.—*Export under claim for rebate of duty or under bond.*—In relation to the excisable goods covered by this Chapter, the provisions of Chapter IX of the rules shall apply subject to the following modifications, namely :—

- (1) For rule 185, the following rule shall be substituted, namely :—

"185. *Examination of goods prior to despatch.*—(1) When excisable goods are to be exported under claim for rebate of duty as provided in rule 12 or under bond for their due export, as provided in rule 13, the cases or packages in which such goods are packed shall be legibly marked in ink or oilcolour or in such other durable manner as the Collector may in any particular case allow with a progressive number commencing with No. 1 for each year and with the owner's name and special mark, if any. The owner shall prepare an application in the proper form in quintuplicate duly signed by him or his authorised agent separately in respect of each consignment. He shall also prepare a gate pass separately in respect of each consignment in the manner provided in rule 52-A read with sub-rule (2) of rule 173-G indicating prominently therein "GOODS FOR EXPORT".

- (2) Where an owner desires to despatch goods after examination by the proper Officer and has paid the appropriate charges determined by the Collector, he shall present the packages to the proper Officer at least twenty-four hours before the intended removal of the goods together with the application in proper form in quintuplicate duly signed by him or his authorised agent. Thereupon, the proper Officer shall, after verifying that the goods are identifiable with those cited in the application, seal each package with the Central Excise seal and endorse all copies of the application in token of such examination and shall return all copies to the owner.
- (3) Thereafter and in all other cases where no examination by the proper Officer is desired, the owner shall file the application in quintuplicate together with the original copy of the gate pass to the proper Officer. Such officer shall, after verifying particulars of payment of duty, record a certificate to that effect on all copies of the application and on the gate pass, returning the original copy of the gate pass and the original and duplicate copies of the application to the owner. The proper Officer shall send the triplicate application to the Maritime Collector of Central Excise, quadruplicate to his Chief Accounts Officer and retain the quintuplicate for his record.
- (4) In the case of goods intended for export by parcel post, the exporter shall affix to the duplicate application sufficient postage stamps to cover a fee at the rate of six paise per package and shall present the documents, together with the package or packages to which it refers to the post master at the office of booking."

(2) In rule 187, for sub-rule (1), the following sub-rule shall be substituted, namely:—

"(1) On arrival, at the place of export the goods shall be presented together with original and duplicate copies of application to the Customs Officer. The consignment shall be carefully examined and if all the particulars as cited in the application concerning the goods agree in all respect, such Customs Officer, shall allow export and then certify on both copies of the application that goods have been duly exported:

Provided that if packages containing the goods were sealed at the place of despatch with the Central Excise seal, in the manner provided in sub-rule (2) of rule 185, such Customs Officer shall carefully examine and check-weigh the packages and if they correspond with the description given in the application and seals are intact, shall allow export and shall then certify on both the copies of the application that the goods have been exported."

171-P. *Remission of duty on goods used for special industrial purposes.*—in relation to the excisable goods covered by this Chapter, the provisions of Chapter X of these rules shall apply subject to the following modifications, namely:—

(1) for rule 195, the following rule shall be substituted, namely:—

"195. *Disposal of refuse of excisable goods.*—All refuse of excisable goods obtained under rule 192 which may remain after the completion of the industrial process shall be stored separately and the manufacturer shall inform the proper Officer in writing the quantity of such refuse and the date on which he proposes to destroy them at least seven days in advance and may destroy or otherwise dispose of such refuse in the manner and in accordance with the conditions as may be prescribed by the Collector by a general or special order."

(2) for rule 196A, the following rule shall be substituted, namely:—

"196-A. *Surplus excisable goods.*—If any excisable goods obtained under rule 192 become surplus to the needs of the applicant for any reason, the applicant may, after informing the proper Officer in writing at least 24 hours in advance:

- (i) clear the goods on payment of duty, the rate of duty and the tariff valuation, if any, applicable to such goods being the rate and valuation, if any, in force on the date of actual removal of the goods from the applicant's premises; or
- (ii) return the goods to the original manufacturer of the goods from whom the applicant had obtained them under bond and every such returned goods shall be added to the non-duty paid stock of the original manufacturer and dealt with accordingly. The applicant shall be accountable for the loss or deficiency, if any, during transport of the goods from the applicant's premises to the place of the original manufacturer; or
- (iii) despatch the goods to another manufacturer who is eligible to the concession in respect of such goods and to whom a licence has been granted under rule 192 for obtaining such goods; or
- (iv) clear the goods for export in the manner provided in rule 12 or 13 or 14, as the case may be."

173-Q. *Confiscation and penalty.*—If any manufacturer, producer or licensee of a warehouse,

- (a) removes any excisable goods in contravention of the provisions of any rule, or
- (b) does not account for all such goods manufactured produced or stored by him, or
- (c) engages in the manufacture, production or storage of such goods without having applied for the licence required under section 6 of the Act, or
- (d) contravenes the provisions of any rule with intent to evade payment of duty.

then—

- (i) any land, building, plant, machinery, materials, conveyance, animal or any other thing used in connection with the manufacture production, storage, removal or disposal of such goods, and
- (ii) all excisable goods on such land or in such building or produced or manufactured with such plant, machinery, materials or thing, belonging to such manufacturer, producer or licensee shall be liable to confiscation and the manufacturer, producer or licensee shall be liable to a penalty not exceeding three times the value of the excisable goods in respect of which any contravention of

the nature referred to in clauses (a), (b), (c) or (d) has been committed, or five thousand rupees, whichever is greater and in every case where there has been such a contravention the proper Officer may assess the duty due to the best of his judgement and the assessee shall thereupon pay the duty so assessed."

5. In Appendix to the principal rules, in "(1) list of Central Excise Forms",—

(a) entry "2A" shall be renumbered as "2B" and after entry 2, under the heading "Declaration", the following entry shall be inserted, namely:—

Central Excise Series No.	Description of form	Rule No.	Short Title
1	2	3	4
2A	of receipt of excisable goods.	173-K, 173-L, 173-M, 173-N	D 3

"(b) after entry 59, the following entry shall be inserted namely:—";

Central Excise Series No.	Description of form	Rule No.	Short Title
1	2	3	4
59A	of excisable goods from one bonded warehouse to another.	173-N	AR 3A

„(c) after entry 60, the following entry shall be inserted, namely:—";

Central Excise Series No.	Description of form	Rule No.	Short Title.
1	2	3	4
60A	of excisable goods for export by sea/land/post under Chapter VII-A	173-C	AR 4A

"(d) for entry 65A, the following entries shall be substituted, namely:—";

Central Excise Series No.	Description of form	Rule No.	Short Title
1	2	3	4
65A	Gate pass for removal of excisable goods from a factory or warehouse on payment of duty	52-A 173-G	G.P. 1
65AA	Gate pass for removal of excisable goods from a factory or warehouse without payment of duty	52-A 173-G	G.P. 2

6. In Appendix 1 to the principal rules, in (II) specimen forms.—

(a) "Central Excise Series "2A" shall be renumbered as "2B", and before the form so renumbered, the following form shall be inserted, namely:—

"Central Excise Series No 2A

Original
Duplicate

Form D.3,
Declaration of receipt of excisable goods

Printed serial No.-----
See Rules 173-K, 173-L, 173-M, 173-N.

To

The Inspector of Central Excise.

I/We hereby declare that the undermentioned consignment of excisable goods has been received by us at our licensed premises on----- 19----- at ----- hours.

(i) under claim for *proforma* credit under the Rule 173-K,

- (ii) for being remade, repaired or reconditioned under Rule 173-L/173M.
(iii) in bond.

Name, address and licence No. of consignor	No. and date of gate pass duty-paid/ non-duty-paid	Description and variety of goods	Quantity as shown in gate pass	Shortage detected on receipt, if any.
--	---	-------------------------------------	-----------------------------------	--

2. I/we declare—(i) that the goods received are identifiable with the description given in the gate pass to my/our entire satisfaction.

*(ii) that the majority of the unit or smallest packages, as the case may be, meant for retail sale, are intact and unopened, and in the case of opened packages, the goods are identified to my/our satisfaction on the basis of marking on the individual articles or containers and/or other collateral evidence, if any.

*(iii) that the defect or deterioration resulted from defect in manufacture or storage or due to some accident while in transit and that the goods have not been made use of in any manner except for trial purpose; and

(iv) that I/We have entered the particulars of the consignment so received in my/our relevant stock register.

Place _____

Signature of Licensee or his authorised agent.

Date _____

Name and address of Licensee."

Time of sending intimation _____

*These declarations are necessary if goods are received for being remade, refined, reconditioned or subjected to any other similar process under Rules 173-L and 173-M.

(b) after "Central Excise Series No. 59", the following form shall be inserted, namely:—

"Central Excise Series No. 59-A.

Original
Duplicate
Triplicate

FORM A.R. 3A

Range.....

Division.....

Application for removal of excisable goods from a factory or a bonded warehouse to another warehouse

(Rule 173N)

I/We holder(s) of Central Excise Licence No. in Form have undertaken to remove the undermentioned goods from the factory/warehouse at..... to the warehouse at..... in Range Circle/Division.. of Mr./Messrs holders of Central Excise Licence No. in Form.....

Number and date of entry in warehouse register	Description of goods	No. and description of packages	Gross weight of packages
1.	2.	3.	4.

Marks and numbers on packages	Quantity of goods	Date of first warehousing	Value	Duty	
				Rate	Amount
5	6	7	8	9	10
			R.s. P.	Rs. P.	Rs. P.

No. & date of Gate pass(es) for removal of goods.	Manner of Transport	Remarks.
11	12	13

2. I/We have executed a bond in Form B-5 (Sur.) or (Sec.)/ B-5 (Gen. Sur.) or (Gen. Sec.)/B-12/(Gen. Sur.) or (Gen. Sec.) bearing No. dated..... for Rupees (Attached in original).

*To be entered by the consignor/owner or his authorised agent in words and figures.

I/We hereby declare the above particulars to be true.

Place

Date

Signature of consignor(s) or his/their authorised agent.

Certificate of rewarehousing by the consignee

(On Original and Duplicate)

I/We hereby certify that the consignment arrived at on that the goods conform in all respects to the description given overleaf except for the following discrepancies, and that they have been rewarehoused under Entry No. in Part I of our Warehouse Register in Form W.R. G-2.

Particulars of Discrepancies

No. and description of packages not received.	Quantity short received	Duty payable on the shortage	Remarks
1	2	3	4

Place

Date

Signature of consignee(s) or his/their authorised agent.”;

(c) after "Central Excise Series No. 60", the following form shall be inserted, namely:—

"Central Excise Series No. 60-A.

Original.
Duplicate.
TriPLICATE.
Quadruplicate.
Quintuplicate.

Range.....
Circle.....

FORM A.R. 4-A

Application for removal of excisable goods for export by Sea/Post/Land
(Rule 173-O)

To

of Central Excise,

I/We.....of.....propose to export the undermentioned
consignment to.....(Country of destination) by Sea/Land under claim for rebate
parcel post bond

Particulars of manu- facturer of goods and his L. 4 No.)	No. and descri- ption of packages	Gross weight	Marks and Nos. on packages	Weight or quantity of goods
1	2	3	4	5
Desc. of goods	Value	Duty Rate Amount	No. and date of gate pass (es) under which duty was paid or No. and date of bond executed under Rule 13.	
6	7	8	9	10
	Rs. P.	R. P	Rs. P.	
Amount of rebate claimed	Number & date of railway receipt, if any.			Remarks
11	12			13

I/We hereby declare that the above particulars are true and correctly stated.

Place

Date

Signature of owner or his authorised agent.

(ON ALL COPIES)

1. Certified that duty has been paid on the goods described over-leaf by debit entry
in the Personal Ledger Account against Gate pass(es) No. dated
that the owner has entered into a bond under Rule 13.

Place

Date

Inspector of Central Excise
Countersigned.

Superintendent of Central Excise.
Range.

(ON ORIGINAL AND DUPLICATE)

2. Certified that I have examined the consignment described overleaf and that I have
satisfied myself that the particulars stated in the description are specified except for the
shortage mentioned below.

(For exports by sea)

3. Certified that the consignment was shipped under my supervision under shipping
Bill No. dated by S.S. which left for on
the day of 19

(For exports by land)

4. Certified that the above mentioned consignment has been duly identified and has
passed the frontier today at..... in its original condition.

Place

Date

Signature of Customs Officer.

(ON DUPLICATE ONLY)

5. Certified that the goods described overleaf have not been relanded and are not
intended to be relanded at any port in India.

Place

Date

Signature of Exporter.

EXPORT BY POST

6. Certified that the consignment described above has been despatched by foreign post
to on day of 19

Signature of Post Master,
Post Office.

Place

Date

Refund Order No. dated

7. Rebate of Rs. (Rupees) sanctioned.

Place

Date

Collector of Central Excise.

8. Certified that I have this day paid the sum of Rs. (Rupees)
to through Cheque No. Date

Place

Date

Chief Accounts Officer Central Excise.

NOTE:—(i) Delete the entries not applicable.

(ii) Where additional/Special excise duty is also leviable, separate entries must be
made on different horizontal lines for basic additional and special excise duties in columns
8, 9 and 11 and the amounts totalled.”;

(d) for “Central Excise Series No. 65A”, the following forms shall be substituted,
namely:—

“Central Excise Series No. 65-A

Serial No. A

Range:

Division:

Original.
for Carrier.
or
Duplicate for
Central Excise.
or
Triplicate.
Office Copy.

G.P. 1

Gate Pass for Removal of Excisable Goods from a Factory or Warehouse on Payment of Duty

(Rules 52-A and 173-G)

Date of Removal:

Time of Removal:

Name, address and Licence No. of Factory:

P.L.A. No.:

Name of excisable commodity:

Tariff Item and sub-item No.:

No. and date of Notification under which any concessional rates of duty are claimed.

Serial No.	Variety of goods	No. & description of packages	Identification Marks	Average contents per package	Total quantity	Total assessable value or tariff value	Rate of duty	Total duty paid
1.								
2.								
3.								
4.								

TOTAL

Serial No. and date of debit entry for duty in P.L.A.

Name and address of consignee.

Manner of Transport:

If by motor vehicle its Registration No.

If by rail, name of booking station:

If by rail, name of receiving station:

Certified that the particulars given above are correct.

Signature of the Licencee or his authorised agent.

Place: _____

Date and time of preparation of G.P.

Central Excise Series No. 65-AA.

Serial No. B.

Range:

Division:

Original
For Carrier
or
Duplicate for
Central Excise
or
Triplicate
Office Copy.

G.P. 2

Gate Pass for Removal of Excisable Goods from a Factory or Warehouse without Payment of Duty.

(Rules 52-A and 173-G)

Date of Removal:

Time of Removal:

Name, address and Licence No. of Factory:

Name of excisable commodity:

Tariff Item and sub-item No.:

No. and date of Notification under which any concessional rates of duty are claimed :

Sl. No.	Variety of goods	No. and description of packages	Identification Marks	Average contents per package	Total Quantity	Total assessable value or Tariff value	Rate of duty	Total duty payable
1.								
2.								
3.								
4.								

TOTAL

Name and address of consignee:

Manner of Transport:

If by motor vehicle, its Registration No.

If by rail, name of booking station:

If by rail, name of receiving station:

Certified that the particulars given above are correct.

Place _____

Date and time of Preparation of G.P.

Signature of the Licensee or his authorised agent.;

(c) for "Central Excise Series No. 79B", the following form shall be substituted, namely:—

Original.
Duplicate
Triplicate
Quadruplicate.

FORM R.T. 12

(Rule 173-G)

Monthly/Periodical return of excisable goods manufactured/received in bond and issued by assessees working under Chapter VII-A

1. Name and address of the assessee..... Month/Period.

2. Location of the factory/warehouse..... Name of

3. Central Excise Licence No..... Commodity.

Sl. No.	Full description of the goods with tariff classification	Opening Balance Quantity	Quantity manufactured during the month/period	Quantity received in bond during the month/period	Total of Columns 3, 4 & 5	Quantity removed from the factory	Value of goods removed
1	2	3	4	4	6	7	8
Rate of duty	Amount of duty paid	Serial Nos of Gate Pass (es)/covering document (s) enclosed	Closing Balance	Remarks			
9	10 Rs. P.	11	12	13			

I/We declare that I/We have compared the above particulars with the records and books of my/our factory/warehouse and that they are, in so far I/We can ascertain to be true and correctly stated.

Place: _____

Date: _____

Signature of the assessee or his authorised agent.

NOTES:—1. A separate return should be prepared for each tariff item. Entries in the return should be tariff sub-item-wise where applicable. If within the same item or sub-item there are different rates of duty fixed by exemption notification, the rate-wise break up should be given in the return.

2. Column 5 should indicate the quantity of goods received in bond in a warehouse/factory. Receipts of tobacco on T.P. 3 in a cigarette factory tobacco warehouse may also be included in the quantity shown in column 5.

3. The destination of goods exported from India should be given in the remarks column.

4. In respect of *ad-valorem* duties, column 8 should show the value or tariff value. In other cases, it should show the real value, unless exempted by the Collector.

5. Where the assessee removes any duty paid goods for export under claim for rebate of duty or removes any goods without payment of duty for export under bond or for any other purpose in addition to removal of goods on payment of duty for home consumption, similar information as in columns 7, 8, 9, 10 and 11 in separate parts may be indicated in respect of such removals below the entries relating to clearance on payment of duty for home consumption.

6. Separate entries for basic and other duties should be made on different horizontal lines in columns 9 and 10 and amounts totalled for each sub-item of the tariff.

Assessment Memorandum

(Strike out the portions which are not applicable)

(1) The assessee has paid the duty on the above goods correctly except to the extent indicated below:—

The duty short-levied as indicated above should be paid by the assessee within ten days by debit in his Personal Ledger Account. The assessee may take credit for the duty paid in excess as indicated above in his Personal Ledger Account.

(2) Duty on the goods cleared under Gate No.(s) _____ and included in this return has been assessed provisionally under rule 9B and provisions of the said rule shall apply for recovery of deficiency in or refund of excess duty.

Signature and stamp of Central Excise Officer-in-Charge."

Place: _____

[No. 182/69-CE.]

Date: _____

[No. F.22/1/69-CX.I(A).]
K. NARASIMHAN, Jt. Secy.

